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FM AMEMBASSY VIENNA  
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RUEKJCS/OSD WASHDC PRIORITY  
RHEHAAA/WHITEHOUSE WASHDC PRIORITY

UNCLAS VIENNA 000328

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DEPT FOR EUR/AGS, INR/EU, AND EUR/PPD FOR YVETTE SAINT-ANDRE

OSD FOR COMMANDER CHAFFEE

WHITEHOUSE FOR NSC/WEUROPE

E.O. 12958: N/A  
TAGS: [KPAO](#) [AU](#) [OPRC](#)

SUBJECT: AUSTRIAN MEDIA HIGHLIGHTS: February 09, 2007

Less Bureaucracy: Government Put On A Diet

¶1. Starting Friday, the SPOe/OeVP coalition will begin working on an extensive reform of state and government which, according to Chancellor Alfred Gusenbauer, will be the "core piece" of the grand coalition and is intended for completion in summer. The reform will build on reforms announced and partly implemented during the last legislative period. The reform is supposed to save 1.8 billion Euro in public funds by 2010. The project was presented by Vice-Chancellor and Finance Minister Wilhelm Molterer on Thursday. Critics say this project was first introduced by his predecessor Karl-Heinz Grassler in May 2006 and that, therefore, the current government is just sticking to old plans. The reform project details that bureaucracy demands on companies will be cut by one-fourth by 2010, writes independent daily "Der Standard." The Netherlands and Denmark have models to reduce bureaucratic costs for enterprises - it is one aspect of a "better regulation" scheme, which Germany is also thinking about adopting. On Thursday, Molterer was reticent on the negotiations with the individual ministries about the double budget 2007/2008. He only repeated that a rigid budget policy would be implemented to create some room for tax relief measures in 2010. Molterer also refused to give details about the budget deficit for 2006 except to say it might be lower than it was previously thought to be.

EU Presents Joint Energy Policy Concept in Vienna

¶2. On Friday, EU Commissioner for Energy Policy, Andres Piebalgs, who is in Vienna to meet with Austrian Minister for Economy and Labor Martin Bartenstein, will present a joint EU energy concept, which will be the foundation of an EU energy policy. EU goals are to reduce greenhouse gas emissions and primary energy demand by 20 percent each.

Plassnik Outlines European Policy of New Coalition

¶3. In an interview with mass circulation daily "Kurier," Minister for European and International Affairs Ursula Plassnik presented the Austrian position with regard to issues such as security, EU policy, climate protection, and Kosovo. With regard to Kosovo, Plassnik said Austria was prepared to go beyond its current commitment and make a civilian contribution to the EU presence there, pointing out that there are already 600 Austrian troops stationed in Kosovo, plus a police contingent of 40 persons. With regard to the EU constitution, the Austrian Minister for European and International Affairs was optimistic: The fact that 18 countries have already ratified the constitutional draft was an important political signal, Plassnik said, and added that it was necessary to get clarity with regard to the legal basis of the

constitution by 2009 at the latest. However, the constitution was not the only issue with regard to the EU: In the Minister's view, it is necessary to make concrete European projects and results clearer and more transparent for the citizens. In view of the current debate about climate change, Plassnik also pointed to the EU summit in March where the foreign policy component of the energy policy will be an important issue.

#### Controversial Appearance in the US

¶4. Austrian Cardinal Christoph Schnborn has made a controversial appearance in the US. At a lecture in New York, he once again defended the doctrine of intelligent design, according to which the development of the species has its origin in God's will, and not in the randomness of Darwinian evolution. This is a highly controversial issue in the US.

#### Agreement Between Hamas and Fatah

¶5. On Thursday evening, the Palestine groups Hamas and Fatah agreed to form a government of national unity. The "declaration of Mecca," signed in a formal ceremony by Palestinian President Mahmoud Abbas and acting Prime Minister Ismail Haniyeh, agrees to a division of power, with Hamas retaining the Prime Minister and getting six more government positions. Another six ministries will be led by Fatah and five ministries will be given to independent experts. The question of a recognition of Israel, which Hamas has so far refused, was apparently not included in the document. With regard to Hamas' attitude towards Israel, moderate Palestinian President Abbas called on the new government to respect international law and the previous agreements between the PLO and Israel. Semi-official daily "Wiener Zeitung" reports that, before the agreement was signed, a tentative solution with regard to Israel had surfaced, according to which the radical Hamas will respect the previous agreements as long as they are not "in opposition to Palestinian interests." However, Abbas insists on Hamas adhering to the treaties so as to achieve an end of Western sanctions. The agreement between Hamas and Fatah had been mediated by Saudi Arabia's King Abdullah, who put some pressure on both parties to stop the fighting, writes the daily.

#### Burden of Majority

¶6. The US Democrats, which had toyed with the idea of initiating impeachment procedures against President Bush before the November 2006 congressional elections, are apparently now backing off. The election outcome, which brought the Democrats a majority in both the House and the Senate, would offer at least a theoretical chance for a successful impeachment. While top Democratic leaders, such as Speaker of the House Nancy Pelosi, reject the idea of initiating impeachment procedures, some Democrats believe there are sufficient grounds for impeachment: the Iraq war, the decision to allow the NSA to spy on US citizens, etc. Pressure from the base is increasing: Centrist daily "Die Presse" cites a recent poll conducted by MSNBC in which 419,000 persons participated; of those, 87 percent thought procedures to impeach the President should be initiated. The Democratic headquarter gets hundreds of emails, faxes from people calling for impeachment and there are internet forums where the Democrats are criticized for not being resolute enough in proceeding against Bush. The campaign has apparently had some effect on the Democratic Chairman of the Justice Committee in the House of Representatives John Conyers. He initiated a study investigating whether the President indeed has the right to ignore the law in its fight against terror. "Die Presse" quotes Conyers as saying: "The government abuses its power, and Congress cannot simply tolerate this." Other media, such as the "New York Times" have already concluded that Bush is a lame duck, and was indeed "fired in the last election," as a "New York times" columnist put it.

#### North Korea Signals Compromise

¶7. It is just a small signal so far, but the Stalinist regime in Pyongyang has finally shown movement on the nuclear issue. At the beginning of a new round of Six-Party-talks, the North Koreans indicated readiness to revive a 2005 agreement which essentially provides for an end to the controversial nuclear program in exchange for economic assistance. US chief negotiator Christopher Hill is

optimistic that this is a "good first step."  
Centrist daily "Die Presse" gives details of the North Korean conditions for a compromise: Apparently, Kim Jong-Il demands not just oil deliveries but also a concrete promise regarding the building of a light-water reactor, which had first been offered in September 2005. In addition, North Korea demands the US lift the freeze on 24 million US dollars on North Korean accounts in Macao and take the first steps in the direction of normalization of the relations between Washington and Pyongyang. Allegedly, the US has offered to lift trade barriers and remove North Korea from the list of states that support terrorism. China also has a strong interest in the progress of the Six-Party-talks - "Die Presse" quoted disarmament expert Teng Jianqun as asserting that it was China's first priority to preserve stability in the North East Asian region and avoid any unrest or bellicose confrontations on the Korean peninsula. "History has shown that China will be drawn into any war in the region," Teng said. He believes the dispute about North Korea's nuclear program can only be resolved if all parties focus on the technical aspects of North Korea's disarmament and stopped mixing political, economic or ideological issues in with the talks.  
McCaw